

**UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION
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In re:
KENNY LEIGH, PA

Debtor

Case No.: 3:16-bk-03208-PMG
Chapter 11

DEBTOR'S CHAPTER 11 CASE MANAGEMENT SUMMARY

Kenny Leigh, PA, the debtor and debtor-in-possession (the "Debtor"), by and through its undersigned proposed attorneys, pursuant to Local Rule 2081-1, files this, its Chapter 11 Case Management Summary (the "Summary"), and says:

INTRODUCTION

The Debtor filed its petition for relief under Chapter 11 of the United States Bankruptcy Code ("Bankruptcy Code") on August 23, 2016 (the "Petition Date"). The Debtor expects that an order for relief should be entered, and pursuant to Sections 1107 and 1108 of the Bankruptcy Code, the Debtor should be able to retain possession of its property, its assets, and will be duly authorized as debtor-in-possession to continue the operation and management of its business. No trustee or examiner has been appointed in this bankruptcy case. A committee of unsecured creditors has not been appointed, and it is not expected that a creditor's committee will be appointed in this Chapter 11 case.

I. Description of the Debtor's Business

The Debtor is a multi-million dollar law firm specializing in Family Law and serving areas throughout Florida.

II. Location of Debtor's Operations and Whether Leased or Owned

The Debtor's operations are located:

- a. Corporate Office, 414 Old Hard Road, Suite 201, Fleming Island, FL 32003. This location is leased from C&E Investors;
- b. 301 W. Bay Street, Suite 1010, Jacksonville, FL 32202. This location is leased from Amkin West Bay;
- c. 2770 NW 43rd Suite P, Gainesville, FL 32601. This location is leased from Building 32606, Inc.;
- d. 6750 N. Andrews Avenue, #200, Fort Lauderdale, FL 33309. This location is leased from G&I VII Pinnacle LLC;
- e. 171 Brooks Street SE, Suite 307, Ft. Walton Beach, FL 32548. This location is leased from Miramar Place Offices, Inc.;

- f. 2255 Glades Road, Ste 238W, Boca Raton, FL 33431. This location is leased from One Boca Place, LLC;
- g. 17 W Government St, Suite C, Pensacola, FL 32502. This location is leased from Quayside Properties;
- h. 8875 Hidden River Parkway #300, Tampa, FL 33637. This location is leased from Regus Centers, Inc.;
- i. 444 Seabreeze Blvd, Ste 470, Daytona Beach, FL 32118. This location is leased from Seabreeze Office Associates.

III. Reasons for Filing Chapter 11

The Debtor became delinquent to the Internal Revenue Service in the 4th quarter of 2015 and was on a payment schedule with the IRS but on or about August 23, 2016, the IRS attempted a levy on the Debtor's operating bank accounts.

In addition, the Debtor owes multiple marketing and advertisement firms substantial amounts. The Debtor anticipates repaying these debts in full at 100%.

IV. List of Officers and Directors and Their Salaries and Benefits at Time of Filing and During the One Year Prior to Filing

- Daniel K. Leigh, Jr. serves as Chief Executive Officer of the Debtor. Mr. Leigh's monthly salary is \$16,666.67 per month. The Debtor provides health insurance to all its employees, including Mr. Leigh.
- Stefani K. Nolan serves as President of the Debtor. Ms. Nolan's monthly salary is \$10,416.67 per month. The Debtor provides health insurance to all its employees, including Stefani K. Nolan.
- John Vick serves as Chief Operating Officer of the Debtor. Mr. Vick's monthly salary is \$5,000.00 per month. The Debtor provides health insurance to all its employees, including John Vick.
- Stephen C. Chesney serves as Chief Financial Officer of the Debtor. Mr. Chesney's monthly salary is \$5,000.00 per month. The Debtor provides health insurance to all its employees, including Stephen C. Chesney.

V. Debtor's Annual Gross Revenues

Upon information and belief, the Debtor's gross revenue for the period ending August 23, 2016 was approximately \$6,420,164.00. The Debtor expects gross monthly revenue will return to the average of the historical six-month average monthly revenue earned after two (2) months immediately preceding the Petition Date.

VI. Amounts Owed to Various Classes of Creditors

- a. Priority Creditor

- Internal Revenue Service is owed approximately \$177,437.31 for 4th Quarter, 2015 Payroll Taxes.
- b. Unsecured Creditors
 - American Express - \$216,442.50
 - Comcast Spotlight - \$32,160.86
 - iHeart Media - \$6,197.35
 - Integrity Consulting Service - \$7,500.00
 - Jacksonville Jaguars - \$25,963.80
 - Lamar Media - \$42,231.39
 - Out Front Media - \$145,000.00
 - Rumberger, Kirk & Caldwell - \$7,500.00
 - Suntrust Line of Credit - \$250,000.00
 - Suntrust Visa - \$8,572.52
 - WFLX - \$2,900.00

VII. General Description and Approximate Value of the Debtor's Current and Fixed Assets

The Debtor's assets consists primarily of equipment, accounts receivable that, upon information and belief, have a value of approximately \$650,000.00.

VIII. Number of Employees and Amount of Wages Owed as of Petition Date

The Debtor employees fifty-four (54) people, plus four (4) officers. All wages owed have been paid with the exception of payroll that might be due and owing for the pay-period immediately prior to the Petition Date. The Debtor will seek emergency relief for authority to pay pre-petition wages.

IX. Status of Debtor's Payroll and Sales Tax Obligations

With the exception of the 2015 4th Quarter Payroll taxes, the Debtor is current.

X. Anticipated Emergency Relief Within 14 Days of Petition Date

- a. Debtor's Emergency Motion Seeking Authority to Use Cash Collateral;
- b. Debtor's Emergency Motion for Authority to Pay Pre-Petition Wages;
- c. Debtor's Emergency Motion for Authority to Pay Officer Affiliate Salaries;
- d. Debtor's Motion To Determine Adequate Assurance For Utility Services Or In The Alternative, Establishing The Procedure For Determining Adequate Assurance;
- e. Debtor's Emergency Motion to Maintain Prepetition Bank Accounts.

XI. Debtor's Strategic Objectives

Debtor's operations have been generating significant revenue throughout their existence to allow expansion throughout the State of Florida. Debtor anticipates sufficient revenue being generated from this date forward to adequately protect and ultimately satisfy all creditors, unsecured or priority, at an anticipated 100%.

WHEREFORE, the Debtor respectfully submits this Summary on August 24, 2016

PARKER & DuFRESNE, P.A.

/s/ Donald M. DuFresne

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